

# TENNESSEE REGULATORY AUTHORITY RECEIVED



Sara Kyle, Chairman  
Deborah Taylor Tate, Director  
Pat Miller, Director  
Ron Jones, Director

September 23, 2002

02 SEP 23 PM 3:00  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505  
TN REGULATORY AUTHORITY  
DOCKET ROOM

Mr. Guy Hicks, General Counsel  
BellSouth Telecommunications  
333 Commerce Street, Suite 2101  
Nashville, TN 37201-3300

Dear Mr. Hicks:

Upon approval by the FCC of BellSouth's petition to offer in-region interLATA long-distance service in Georgia and Louisiana, the company became subject to the requirements of Section 272 of the 1996 Telecommunications Act ("the Act"). Section 272 outlines the safeguards and separate affiliate provisions for Bell Operating Companies (BOCs) authorized to offer in-region interLATA long distance services. Additionally, 272(d) states that:

"A company required to operate a separate affiliate under this section shall obtain and pay for a joint Federal/State audit every 2 years conducted by an independent auditor to determine whether such company has complied with this section and the regulations promulgated under this section, and particularly whether such company has complied with the separate accounting requirements under subsection (b)."

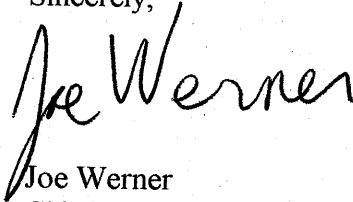
FCC rules require the establishment of a Federal/Joint audit team ("Oversight Team") to oversee the conduct of this biennial audit from the planning stage to completion and to direct the independent auditor to take any actions necessary to ensure compliance with the audit requirements contained in the such rules. [47 CFR §§ 53.209(a-d). The Oversight Team will consist of representatives from the FCC and the nine state regulatory commissions in the BellSouth region.

Since supervision of the biennial audit will require the Oversight Team to examine financial records and other data of the BOC and its affiliates, as well as the working papers and supporting materials utilized by the independent auditor, Section 272 requires "implement appropriate procedures to ensure the protection of any proprietary information submitted." For this reason, the FCC's Enforcement Bureau has asked each state commission make the arrangements necessary to participate in the biennial audit and protect any information deemed to be proprietary.

Mr. Guy Hicks, General Counsel  
BellSouth Telecommunications  
September 17, 2002  
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The TRA, therefore, requests that BellSouth submit a proposed protective order by **October 14, 2002** to satisfy the above requirements. Thank you in advance for your assistance and cooperation.

Sincerely,

A handwritten signature in black ink that reads "Joe Werner". The signature is written in a cursive style with a large, stylized "J" and "W".

Joe Werner  
Chief, Telecommunications Division  
Tennessee Regulatory Authority

cc: Sara Kyle, Chairman  
Deborah Taylor Tate, Director  
Pat Miller, Director  
Ron Jones, Director  
Richard Collier, TRA General Counsel  
Official File, Docket 97-00309